GOVERNMENT OF INDIA
MICRO,SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:2392
ANSWERED ON:09.05.2016
MSMEs in Defence Sector
Patel Shri Prahlad Singh

Will the Minister of MICRO,SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether the Government proposes to help Micro, Small and Medium Enterprises (MSMEs) to venture into the defence and space sectors globally;

(b) if so, the details thereof;

(c) whether the Government proposes to put in place an integrated Research and Development (R&D) Programme with the help of top industries and educational institution to enable the MSMEs to compete in the sector globally; and

(d) if so, the details thereof and the other steps taken or being taken in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF
MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI GIRIRAJ SINGH)

(a) & (b): The Ministry of Micro, Small & Medium Enterprises (MSME) works for promotion and development of Micro, Small and Medium Enterprises (MSMEs) in the country. The MSMED Act, 2006, specifies criteria for defining MSMEs based on investment in plant & machinery (for manufacturing) and equipment (for services). This covers all the sectors including defence and space. In addition, Ministry of Defence has brought out Defence procurement policy 2016 under which Government funded projects with estimated cost of prototype development phase not exceeding Rs. 10 crore and Industry funded projects with estimated cost of prototype development phase not exceeding Rs. 3 crore are earmarked for MSMEs.

(c) & (d): As on date, there is no such proposal before the Ministry.